

# blueprint for the future

FMG Engineering's recent milestone celebrations highlighted nimble progress through four decades. Graham Cooke reports.

**E**arlier this year South Australian-based FMG Engineering celebrated its 40th anniversary, a significant achievement in these days when, by some estimates, half of all new businesses fail in the first five years.

While one would have thought some congratulations and reflection might be permitted, FMG instead marked the milestone by announcing its blueprint for the next 40 years, leading into the mid-point of the 21st century and beyond.

A courageous move when many other organisations are obsessed with the short-term economic and electoral cycles, but Chief Operating Officer Matthew Loftes sees this as just another example of the readiness of FMG to adapt to rapidly changing circumstances in technology, materials, building methods and the economy.

'When Peter Koukourou founded this company, and for a long time afterwards, we had a very strong focus on the



residential sector – we were known as the builder's engineer,' Matthew says.

'We still have a strong relationship with a number of well-known, high-volume builders both in South Australia and Victoria, where we expanded about 25 years ago.'

A decade ago FMG Engineering was also in the NSW and Queensland markets. 'We were bold enough to see that the cycle was not in the right place for us in those states and decided that for the time being we would concentrate all our efforts on the south-eastern quarter of Australia,' Matthew says.

'That strategy has proved to be quite correct because 10 years ago we had a staff of about 80 and now we are 150-strong.'

This has been achieved both through organic growth and a number of acquisitions, the most recent being Burns Hamilton and Partners in Victoria. 'It gave the two founders, John Hamilton and Leigh Burns the opportunity of having an increased level of support in the latter years of their careers, but more importantly enabled them to provide a succession plan for their staff.'

'For us it provided the opportunity to bring in senior people with very strong reputations in the structural and civil sphere that will help our capability in Melbourne. It is a win all round.'

While the company is still proud of its strong presence in the residential sector it has moved into other engineering areas – environmental, civil, structural, forensic, and research and development.

'One of our proudest R&D achievements is the invention of the waffle pod footing which happened quite early on in 1987. Around 70 per cent of the houses on the Eastern Seaboard are now constructed using it.'

'In both South Australia and Victoria there is a significant trend away from the standard residential block to higher-density living. We have really embraced

Left: Matthew Loftes, FMG Engineering's chief operating officer.

the Adelaide 30-year plan which is seeking to limit urban sprawl.

'This means we can provide integrated solutions for our clients and assist them in the transition from the traditional detached single and double-storey home to building five- or six-storey higher-density apartment buildings.'

**'When Peter Koukourou founded this company ... we were known as the builder's engineer'**

'These developments will have amenities such as commercial swimming pools, gymnasiums, communal facilities and different road designs. We can help with all these, at the same time reducing costs while still being in tune with the need for energy efficiency.'

For the moment Melbourne, with its 2030 vision, is well ahead of Adelaide. 'We are certainly doing more five- to six-storey apartment buildings there, possibly because there is an urgent need in the bigger city to contain urban sprawl.'

While company growth is very much part of the 40-year blueprint, Matthew says that FMG will remain in what he calls 'the second tier' of Australian companies. 'The biggest companies tend to be locked into the rise and fall of the national economy,' he says.

## Force equals Mass times Gravity

FMG started life as Koukourou Engineering, named after its founder. 'When Peter [Koukourou] left the company about 14 years ago there was a desire to re-brand and broaden what had been a very strong reputation in the residential sector,' says Matthew Loftes.

A round-table discussion came up with FMG, standing for Force equals Mass times Gravity – a basic engineering equation.



Above: Matthew Loftes marks FMG Engineering's 40th anniversary by announcing its blueprint for the next 40 years.

'That does not mean that over the next 40 years we don't see ourselves as expanding – in fact over that period I believe we will enter most states and territories in Australia and into Asia as well.'

'We want to maintain ourselves as a nimble organisation, multi-disciplined with integrated solutions, while still maintaining a very personable relationship with clients and our staff.'

Matthew believes that good quality, committed staff are essential to any organisation, and FMG's blueprint looks forward to growth that will give employees a clear career path.

'We put a great emphasis on professional development and have partnered with Engineers Australia to put this in place,' he says.

'We offer to assist all our staff financially and, in terms of study time, to gain their chartered status if they are an engineer or a similar post-graduate status if they are scientists or administrators.'

'For some time now we have recognised the need to assist our staff

with mentoring – providing a method of transferring knowledge from our older to our younger members. For instance, we have a forensic engineer, John Goldfinch, who is the only remaining staff member who has been with us since day one. He is now one of our most senior mentors.

'At the moment we are putting in a more structured approach where each of our more senior people will set aside time on a weekly basis to provide both team and individual mentoring sessions, perhaps over lunchtime where people take their lunches and listen to a half-hour discussion on particular aspects of engineering, whatever it might be.'

FMG Engineering is a long-time supporter of HIA, with Managing Director Peter Bayetto having been a member of the HIA South Australian executive for more than 15 years.

FMG Engineering is also a founding member, along with HIA and other partners, of the Australian Housing Supply Chain Alliance, examining ways of minimising waste in the building industry, looking at new materials and building methods that can achieve energy efficiency, cost savings and on-site safety.

## Learning forensically

One of FMG's major activities is in the field of forensic engineering – assessing damage caused by fire, flood, cyclones or sometimes simply poor building work.

'We have been called many times as an expert witness involving some quite well-known building failures in South Australia, among them the collapse of the roof of the Riverside Golf Club about 10 years ago,' says Chief Operating Officer Matthew Loftes.

'And we have been called to give evidence a number of times by SafeWork SA and various legal and construction companies.'

'FMG has gained a lot of experience in this area and as a result we have been able to strengthen our own design capabilities – in some cases learning from other people's mistakes.'

Matthew sees this as a reflection of FMG's willingness to invest money in research and development for the betterment of the industry as a whole. 'It is our long-standing commitment to give back to the industry by being actively involved in the development of new technologies and new ideas.' ■